

July 17, 2009

## **STORM VICTIMS BEWARE OF UNLICENSED CONTRACTORS AND SERVICE COMPANIES**

BISMARCK — Attorney General Wayne Stenehjem reminds North Dakota residents of the need for caution when hiring contractors and service companies to complete home and business repairs. Storm damage provides an opportunity for a variety of different home or business repair scams. “North Dakota received media attention over the last week because of the recent tornado and storm damage. Con artists thrive on misfortune, and you can be sure some of them will be headed here,” Stenehjem said.

A contractor or service provider that is not from the local area may be required to have a “Transient Merchant License,” issued by the Attorney General’s office, and to post a bond. If there is a problem with a company’s product or service, the consumer can file a claim against the bond. For questions about Transient Merchant licensing requirements consumers may contact the Attorney General’s licensing section at 701-328-2329.

All contractors must be registered with Workforce Safety and Insurance and ND Job Service, and any contractor doing a job for more than \$2,000 also is required to have a contractor’s license issued by the Secretary of State’s office.

“Whenever a disaster occurs, I am concerned that the individuals who need help are properly protected and are being served by contractors who are properly licensed and have fulfilled the requirements of state law,” said Secretary of State Al Jaeger.

Door-to-door repair operators and out-of-state contractors may seem attractive because they usually do not have a long waiting list. “Many transient operators engage in substandard work or are simply scam artists looking for the next victim. Don’t make it easy for them,” cautioned Stenehjem “Before you sign a contract or a check, make sure the company and its crew have all licenses required by state law.”

The Transient Merchant Licensing Requirement and other state licensing or registration laws do not apply only to “contractors” that repair homes and other real property. Service providers such as carpet cleaners, refuse removal, and flood restoration services for drying and cleaning personal property will require a Transient Merchant’s License, as well as compliance with Workforce Safety & Insurance and Job Service North Dakota laws.

“Previous weather related disasters across the state have shown that unscrupulous, unlicensed and unqualified out of state companies are all too eager to take advantage

of unsuspecting homeowners who just want to start putting their lives back together,” said Stenehjem. “These disaster operators often obtain temporary office locations in the state so that they can advertise as a North Dakota business, and then offer work guarantees that immediately become worthless when the contractor skips town after the work is completed.”

Stenehjem recommends property owners ask detailed questions to find out if a contractor is a local business or has just set up an office in North Dakota. “Ask when the company first located to North Dakota, check the phone directory for a local business listing to see if the company has previously been a local business, and don’t rely on representations that the company intends to stay in North Dakota,” he suggested.

Additional information about disaster scams, tips for choosing a contractor, and state agency contact information to verify a company’s licenses, can be downloaded from the Attorney General’s website at: [www.ag.nd.gov](http://www.ag.nd.gov) on the “Disaster Recovery” link.

For more information about transient merchant or consumer fraud issues, contact the Consumer Protection Division of the Office of Attorney General, at (701) 328 3404 or toll free at 1-800-472-2600.

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